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DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

October 16, 2013

Frank Filas
Energy Fuels Resources Corporation
225 Union Blvd., Suite 600
Lakewood, Colorado 80228

Subject: Deficient Application to Revise a Notice of Intention to Commence Small Mining Operations, Energy Fuels Resources (USA), Sage Mine, S/037/0058, San Juan County, Utah

Dear Mr. Filas:

The Division of Oil, Gas and Mining has reviewed the referenced application to revise a Notice of Intention to Commence Small Mining Operations (NOI) received August 21, 2013, and the following items will need to be addressed before the revised NOI can be determined complete:

1. **Section II, Project Location and Maps, Items 3 b. and 4, Operations Map:** Please provide a revised operations map that identifies Items i, ii, and iii, and shows the disturbances for the powder and primer magazine areas. Also, please include in the disturbed area the building and water tank (area in red polygon shown on attached map) adjacent to the southwest boundary of the disturbed area, or explain why they are not considered mine facilities or part of the disturbed area.
2. **Section III, Operation Plan, Item 8:** The original NOI estimated the total disturbed acreage at 3.2 acres. However, this estimate omitted the areas where the powder and primer storage magazines are located, and the access to them. The Division recalculated the disturbed acreage taken from measurements from aerial imagery, and combining the mine disturbance, the vent shaft disturbance and the powder and primer magazine disturbances estimated the disturbed area to be 3.8 acres. Please revise the disturbed area acreage.
3. **Section VI, Surety:** The surety for this mine was due for escalation in August 2012. Based on the need for scheduled surety escalation, and using the revised acreage above, the surety amount needs to be escalated from \$20,800.00 to \$25,000.00.

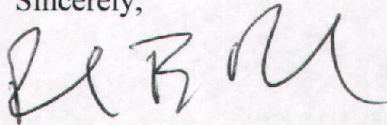


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Please provide your response as replacement pages to the original NOI, using Form MR-REV-SMO/EXP, available on the Division's web site at www.ogm.utah.gov

Please call Mike Bradley at 801-538-5332 or me at 801-538-5261 if you have any questions regarding this letter. In reply, please refer to file number S/037/0058. Thank you for your cooperation.

Sincerely,

A handwritten signature in black ink, appearing to read 'P. B. Baker', written in a cursive style.

Paul B. Baker
Minerals Program Manager

PBB: mpb: eb
Attachment: Site map
cc: Ted McDougall, BLM (tmcdouga@blm.gov)
P:\GROUPS\MINERALS\WP\M037-SanJuan\S0370058-Sage\final\DEF-5602-10152013.doc